

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

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8-41597

**ANNUAL AUDITED REPORT  
FORM X-17A-5  
PART III**

**FACING PAGE**

**Information Required of Brokers and Dealers Pursuant to Section 17 of the  
Securities Exchange Act of 1934 and Rule 17a-5 Thereunder**

REPORT FOR THE PERIOD BEGINNING 01/01/11 AND ENDING 12/31/11  
MM/DD/YY MM/DD/YY

**A. REGISTRANT IDENTIFICATION**

NAME OF BROKER-DEALER: Hovde Securities LLC

OFFICIAL USE ONLY

ADDRESS OF PRINCIPAL PLACE OF BUSINESS: (Do not use P.O. Box No.)

FIRM I.D. NO.

1629 Colonial Parkway

(No. and Street)

Inverness

IL

60067

(City)

(State)

(Zip Code)

NAME AND TELEPHONE NUMBER OF PERSON TO CONTACT IN REGARD TO THIS REPORT

Steven D. Hovde

(847) 991-6622

(Area Code - Telephone Number)

**B. ACCOUNTANT IDENTIFICATION**

INDEPENDENT PUBLIC ACCOUNTANT whose opinion is contained in this Report\*

FGMK, LLC

(Name - if individual, state last, first, middle name)

2801 Lakeside Dr., 3rd Floor

Bannockburn

IL

60015

(Address)

(City)

(State)

(Zip Code)

**CHECK ONE:**



Certified Public Accountant



Public Accountant



Accountant not resident in United States or any of its possessions.



**FOR OFFICIAL USE ONLY**

04

**REGISTRATIONS BRANCH**

\*Claims for exemption from the requirement that the annual report be covered by the opinion of an independent public accountant must be supported by a statement of facts and circumstances relied on as the basis for the exemption. See Section 240.17a-5(e)(2)

**Filed Pursuant to Rule 17a-5(e)(3) of the Securities Exchange Act**

SEC 1410 (06-02)

Potential persons who are to respond to the collection of  
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\*\*\* PUBLIC DOCUMENT \*\*\*

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## OATH OR AFFIRMATION

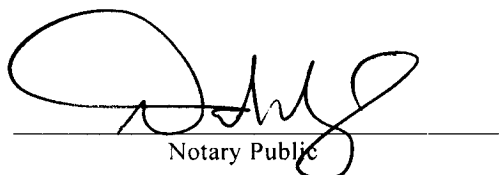
I, Steven D. Hovde, swear (or affirm) that, to the best of my knowledge and belief the accompanying financial statement and supporting schedules pertaining to the firm of Hovde Securities LLC, as of December 31, 2011, are true and correct. I further swear (or affirm) that neither the company nor any partner, proprietor, principal officer or director has any proprietary interest in any account classified solely as that of a customer, except as follows:

\_\_\_\_\_  
 \_\_\_\_\_

  
 Signature

\_\_\_\_\_  
 President

\_\_\_\_\_  
 Title

  
 Notary Public

This report \*\* contains (check all applicable boxes):

- ☒ (a) Facing Page.
- ☒ (b) Statement of Financial Condition.
- ☒ (c) Statement of Income (Loss).
- ☒ (d) Statement of Changes in Financial Condition.
- ☒ (e) Statement of Changes in Stockholders' Equity or Partners' or Sole Proprietors' Capital.
- ☐ (f) Statement of Changes in Liabilities Subordinated to Claims of Creditors.
- ☒ (g) Computation of Net Capital.
- ☒ (h) Computation for Determination of Reserve Requirements Pursuant to Rule 15c3-3.
- ☒ (i) Information Relating to the Possession or Control Requirements Under Rule 15c3-3.
- ☐ (j) A Reconciliation, including appropriate explanation of the Computation of Net Capital Under Rule 15c3-1 and the Computation for Determination of the Reserve Requirements Under Exhibit A of Rule 15c3-3.
- ☐ (k) A Reconciliation between the audited and unaudited Statements of Financial Condition with respect to methods of consolidation.
- ☒ (l) An Oath or Affirmation.
- ☒ (m) A copy of the SIPC Supplemental Report.
- ☐ (n) A report describing any material inadequacies found to exist or found to have existed since the date of the previous audit.



*\*\*For conditions of confidential treatment of certain portions of this filing, see section 240.17a-5(e)(3).*

**Filed Pursuant to Rule 17a-5(e)(3) of the Securities Exchange Act**

**\*\*\* PUBLIC DOCUMENT \*\*\***

## INDEPENDENT AUDITOR'S REPORT

To the Members  
Hovde Securities LLC

We have audited the accompanying statement of financial condition of Hovde Securities LLC (the "Company") as of December 31, 2011, that is filed pursuant to Rule 17a-5 under the Securities Exchange Act of 1934. This financial statement is the responsibility of the Company's management. Our responsibility is to express an opinion on this financial statement based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statement referred to above presents fairly, in all material respects, the financial position of Hovde Securities LLC as of December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

*FGMK, LLC*

Bannockburn, Illinois  
February 7, 2012

2801 Lakeside Drive  
3rd Floor  
Bannockburn, IL 60015

847 374 0400 v  
847 374 0420 f

[www.fgmk.net](http://www.fgmk.net)

**HOVDE SECURITIES LLC**  
**STATEMENT OF FINANCIAL CONDITION**  
**DECEMBER 31, 2011**

<b>ASSETS</b>	
<b>CURRENT ASSETS</b>	
Cash and cash equivalents	\$ 1,963,012
Cash-restricted	923
Receivables from clients	49,212
Prepaid expenses	<u>81,383</u>
	<u>2,094,530</u>
<b>FURNITURE AND FIXTURES</b>	
	17,083
Less: Accumulated depreciation and amortization	<u>8,477</u>
	<u>8,606</u>
	<u><u>\$ 2,103,136</u></u>
<b>LIABILITIES AND MEMBERS' EQUITY</b>	
<b>LIABILITIES</b>	
Accounts payable and accrued expenses	\$ 31,566
Due to related party	<u>74,944</u>
	106,510
<b>MEMBERS' EQUITY</b>	
	<u>1,996,626</u>
	<u><u>\$ 2,103,136</u></u>

The accompanying notes are an integral part of this statement.